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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BEFORE THE

Federal Communications Commission

WASHINGTON, D. C. 20554

In the Matter of	)	
	)	
Assessment and Collection of	)	MM Docket No. 95-3
Regulatory Fees for Fiscal Year 1995	)	

COMMENTS

Stellar Communications, Inc. ("Stellar"), licensee of Stations KPLE(AM) and KKIK(FM), Temple, Texas; KALB(AM) and KZMZ(FM), Alexandria, Louisiana; and its commonly-controlled Station KCKR(FM), Waco, Texas; hereby submits its comments regarding the Commission's proposed 1995 Regulatory Fee Schedule.

The 1994 Regulatory Fee Schedule for radio stations distinguished for assessment purposes between commercial AM and commercial FM stations, and within each service, further distinctions were drawn between various classes of stations. For AM stations, Classes A, B, C and D stations each had a separate fee category. For FM stations, Classes C, C1, C2 and B were lumped in one fee category while Classes A, B1 and C3 were lumped in another. No distinction was drawn on the basis of the size of the market in which the station was located. Thus, a Class B station in New York City paid the same regulatory fee as Class C stations in the smallest U.S. markets. In its Notice of Proposed Rule Making issued the above-captioned proceeding on January 12, 1995, the Commission recognized, "That the population density of a station's geographic location was also a public interest factor warranting recognition in the Fee Schedule." NPRM at ¶29. The Commission tentatively decided to distinguish between stations located in Arbitron metro survey areas from those located outside any Arbitron metro. No

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distinction is drawn in the Commission's proposal on the basis of the size of the Arbitron market in question. Thus, a Class B FM station in Market 1 (New York, with a population of 14,330,500) would pay the same regulatory fee as our Class C FM Station KCKR, Waco, Texas, which is located in the 189th Arbitron metro with a population of 159,000. Stellar's Class C FM Station KZMZ, Alexandria, Louisiana (Arbitron market 194, population 151,900) and Stellar's Class C-2 Station KKIK, Temple, Texas (Arbitron market 167, population 201,900), also would pay the same fees as a New York Class B FM facility. To lump such stations together is simply unfair.

While the distinction between Arbitron and non-Arbitron markets is appropriate, we urge the Commission to draw further distinctions within Arbitron markets. Specifically, it is suggested that the same market classification structure as used for commercial television stations be adopted -- for example, different fee categories should be established for each class of station in Market 1-10, Markets 11-25, Markets 26-50, Markets 51-100 and for the remaining Arbitron markets. If the Commission determines that the creation of that many fee classifications is unwieldy, which we do not believe is the case, at a minimum, the Commission should establish three fee categories in which to divide the Arbitron markets: Markets 1-50, Markets 51-100, Markets 101-261. In determining the fees for the various market classifications, the same ratios used for commercial television stations should be adopted. Specifically, the ratio between the regulatory fee paid by a station located in Arbitron Market 101 or smaller to those within larger markets should be as follows: 1-3.6 for Markets 1-10, 1-3.2 for Markets 11-25, 1-2.4 for Markets 26-50, and 1-1.6 for Markets 51-100. The use of such ratios would make the fee structure for stations located within Arbitron markets, particularly FM stations, much more equitable and fairly reflect the population density of a station's geographic location, which the Commission has already acknowledged as a public interest factor warranting recognition in the Fee Schedule.

If the Commission were to only adopt three fee classifications with respect to Arbitron markets, using the methodology described in Appendix E of the NPRM, the ratio between the same classes of stations located in an Arbitron Market 101 or smaller would be as follows: 1-3.1 for Markets 1-50 and 1-1.6 for Markets 51-100.

To summarize, it is inequitable to lump all Arbitron market stations of the same class together. For large market stations, even if the regulatory fee were quadrupelled, the added financial burden would be insignificant. But for stations in the smaller Arbitron markets, particularly FM stations, the regulatory fees currently proposed represent a significant burden.

We urge the Commission to adjust the Fee Schedule for stations located within Arbitron markets accordingly.

STELLAR COMMUNICATIONS, INC.

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